

**The Synergos Institute**  
**Narrative Report for Bridge Grant**  
**Award No. 656-G-00-01-00029-00**  
**United States Agency for International Development**  
**August 31 – December 31, 2001**

In the period between August 31 and December 31, -2001, the Synergos Institute, in collaboration with our Mozambican partner Fundação para o Desenvolvimento da Comunidade (FDC) organized and carried out institutional development consultancies and moved forward program development initiatives as elaborated in our bridge grant proposal to USAID's Mozambique mission.

These activities raised capacities of FDC staff and provided direct outputs. Activities were designed and organized by FDC and Synergos staff working in New York and Maputo and moved forward particularly during an intensive working visit of Synergos' regional director and foundation capacity building director from 29 November to December 8, 2001.

Key accomplishments include:

- Design of an evaluation and strategic planning framework for FDC and identification of expert resources to move it forward
- The engagement of Afrisurvey to conduct overview study on corporate social investment to be completed February 2002
- Finalization of study *Exploratory Study on The Sustainability Options Of Community-Based HIV/Aids Initiatives In Southern Africa*, that links FDC to other key grantmakers in area of HIV/AIDS in Southern Africa

#### **I. PROFESSIONAL EXCHANGES**

Synergos and FDC staff designed a framework for four professional exchanges: two with the Abrinq Foundation in Brazil and two with the Social Change Assistance Trust. These exchanges will take place in 2002 and will fall within the framework of a matching grant from the United States Agency for International Development and not from this bridge grant. The FDC plans to submit a reimbursement request for the Namibia exchanges in the first quarter of 2002 and this will form a part of Synergos' final request for reimbursement under this bridge grant.

#### **II. TECHNICAL ASSISTANCE ON PROGRAM MANAGEMENT AND EVALUATION**

Synergos formed a team of expert consultants composed of Synergos Senior Fellows. The team leader is Len Le Roux, the executive director of the Rössing Foundation in Namibia. Other members of the team include:

- *Sandra Libunao* – Strategic planning and evaluation consultant and former senior staff of Philippines Business for Social Progress
- *Juju Tan* – Executive director of the Foundation for the Philippine Environment
- *Lorenzo Rosenzweig* – Director General of the Mexican Fund for Nature Conservation
- *Antonio Martinelly* – Corporate strategic planning consultant and Principal, Martinelli – Business Citizenship, Brazil

The role of the team is to strengthen FDC's evaluation systems and methodologies and to prepare it for an intensive strategic planning consultation that will result in a new multi-year plan for institutional and program growth. The process is conceived as a year-long exercise with interventions from the team at key moments in 2002.

Members of the team met initially in Manila in September with participation from Carlos Fumo by telephone. Based on this meeting, Sandra Libunao finalized terms of reference for the first consultancy to involve herself and Len Le Roux in December. See Attachment 1 for more details.

The December visit was a weeklong series of evaluation and strategic planning design sessions. Senior staff of the FDC had the opportunity to learn from Ms. Libunao about evaluation methodologies and participated in the joint design of a process for evaluation and strategic planning. Ms. Libunao led these workshops with John Heller, who runs the Senior Fellows program at Synergos. Participants at key points included all senior staff of the FDC, particularly—Carlos Fumo, Eduarda Cipriano, Marta Cumbi, Nicolas Escaldas, Amancio Armando and Celso Mabundo. Mr. Le Roux and Mr. DuPree were also key resource people.

Mr. Le Roux and Mr. DuPree conducted a concurrent process with the Board under the guidance of Graça Machel to get key feedback on priority elements of institutional performance and to identify the resources they would bring to the process. Mr. Le Roux and Mr. Fumo presented a joint report at a board meeting later in the week about the results of these consultations and the staff progress.

Key outputs were:

- Increased staff capacity to conduct evaluation and understanding of the issues involved.
- Decision on what should be evaluated and how the FDC will integrated this into its workplan for 2002
- Agreements on the roles and inputs expected from the consultants team throughout the process, including the next intervention from Ms. Libunao on the refinement of evaluation instruments to be conducted in February 2002.

### **III. TECHNICAL ASSISTANCE ON FUNDRAISING AND COMMUNICATIONS**

Synergos continued to work with the FDC on two levels – in Mozambique and in the United States—on the issue of fundraising and communications. While the set backs from Mrs. Machel's cancellation of her fundraising trip to the U.S. meant that we could not organize the level of action on fundraising envisioned, Synergos and FDC began to develop good potential support on several new planes.

A very important initiative in this area was the completion in December of a Synergos sponsored study *Exploratory Study on The Sustainability Options Of Community-Based HIV/Aids Initiatives In Southern Africa*. The study consultant and Synergos staff met with over 50 people in Southern Africa, from the heads of NGOs to the President of South Africa and Prime Minister of Mozambique. The study showed the need for stronger channels for capacity-building resources on the regional level and linked this to the potential to create a mechanism that would build on existing non-profit channels of funding (See Attachment 2). The creation of this mechanism will be in 2002 a potential area of collaboration that will strengthen FDC's work in HIV/AIDS by connecting it increasingly to other foundations that have developed grantmaking and resource generation strategies in this area.

Synergos also continued to strengthen FDC's links and credibility in the United States. One example of this was a jointly produced press release of FDC's work with USAID adapted from the official release produced by FDC and USAID in Mozambique. See Attachment 3 for a copy of the release.

### **IV. PLANNING AND DESIGN OF PRIVATE SECTOR CONTRIBUTIONS**

In December, FDC and Synergos finalized negotiations with Jovinto Nunes the head of AfriSurvey to produce an overview paper that will be a key element in designing an ongoing program to strengthen corporate social investment in the country. Mr. Nunes began his research in December. We expect the draft of his study in the first week of February and will then send it to key individuals for comment.

### **V. PLANNING AND DESIGN OF COMMUNITY ASSETS MAPPING**

Activities continue in the area of research and program design for the community asset mapping. FDC and Synergos staff held meetings with a large number of potential consultants and NGOs leading to the launch of this mapping. FDC has also made several visits to the three sites for the program.

The progress, however, has been slower than we anticipated. Potential program consultants, NGOs and community leaders themselves are finding the concepts involved to be quite new. They are enthusiastic about the need and potential output of working in this area but do not have the understanding to move forward. We believe that it is, thus necessary to further strengthen discussion and dialogue within the Mozambican NGO community as an initial step in the project. One opportunity that has arisen is to bring an Ethiopian NGO that has conducted community asset building field exercises to give a workshop and share its

findings with Mozambicans. Experienced staff from this NGO could then be engaged to assist in the design of the mapping exercises in each locality.

## **CONCLUSION**

The partnership between FDC and the Synergos Institute is producing benefits in the management and staff development of the FDC and is positioning the organization to make a bigger impact. This is clearly part of a process of change and development that goes beyond the end of this bridge grant in April but will continue under a matching grant. Outputs as envisioned in the areas of institutional development and the development of a corporate social investment approach for the FDC are going forward as planned. The community assets effort has not moved forward as quickly.

## ***Executive Summary***

### ***Senior Fellows Work Program in FDC, Mozambique***

#### ***Goals:***

1. Establish a culture, design and implement systems and processes within FDC that allow and facilitate learning from their own experiences and from the experiences of other grant making and implementing organizations for greater program impact, a learning organization in sum.
2. Establish a culture of continuous improvement of organizational and grant-making and implementing policies, systems/processes and programs.

#### ***Objectives:***

Towards the twin goals stated above, the objectives of the Senior Fellows interventions are:

1. **To facilitate the clarification of functions in FDC.** The function of the Board and specific roles of the members of the Board are identified and clear to the Board, to Management and the staff. Likewise the function of Management and the Staff must also be clearly identified and approved by the Board.
2. **To establish a clear learning and evaluation road map (includes objectives, timeframe, roles, processes and deliverables) on FDC's strategic medium-term program implementation.** Two major tracks will be followed. First, an internal process of learning and reflecting on past experiences will be designed and implemented. Second, an external and objective process of evaluation on the first three years of the five-year medium term strategy will be conducted.
3. **To identify major inputs and recommendations for the medium term strategic planning process of FDC.** The Senior Fellows will put forward a set of organizational and programmatic issues as well as recommendations to impact on the strategic planning process of FDC facilitated by local external consultants.
4. **To facilitate the development when non-existent or enhancement of institutional and programmatic programs and systems brought about by the strategic planning process of FDC.** The Senior Fellows will engage FDC at various levels (Board, Management, Staff), themes (governance, audit, human resource development, monitoring and evaluation among others), and scope (institutional as well as programmatic) to improve and implement improved policies, programs, systems, and processes.

## ***Interventions and Phases of Intervention***

The above objectives form the operational framework within which various Senior Fellows intervention will revolve around. The above objectives were developed after a series of consultations conducted by SF Leroux with FDC and discussions with other Senior Fellows in the team and Synergos Staff. To achieve the abovementioned objectives the following interventions will be conducted.

### **I. Initiate, Design and Implement the Learning and Evaluation Process**

The learning and evaluation process will flow on three parallel tracks:

- A. Board development track
- B. Management and Staff development track
- C. External evaluation track

Time frame: November-December, 2001

Senior Fellows: Leroux and Libunao

### **II. Input on the Institutional and Strategic Program Planning Process**

Time frame: January, 2002

Senior Fellows: Leroux and Libunao

### **III. Development and Enhancement of institutional and programmatic policies, programs, systems and processes.**

Time frame: February to April, 2002

Senior Fellows: Tan, Martinelli, Rosensweig (Leroux, Libunao)

## ***Scope of Work, Intervention I***

Dec 3-7, 2001

### **A. Board Development Track**

Lead Senior Fellow: Leroux (Supported by DuPree) with Executive Director Fumo

The purpose is to clarify the functions of the Board and the role of each Board member within the purview of accomplishing the mission of FDC. For example, the Board and each member must be aware and committed to providing oversight function to the organization. How FDC define and operational oversight is a vital process that must be undertaken by the Board. The Board must examine how the function of governance is translated into various committees, reporting, auditing, and decision-making responsibilities.

The individual consultation will engage each Board member to think about their functions and roles. The subsequent Board Workshop will take off on the individual consultations, and will facilitate a collective agreement on roles and functions.

1. Individual Consultations
2. Board Workshop

Leroux will design the interview protocol that will guide the individual consultations with Fumo and DuPree. Fumo will ensure that Leroux will be consult with as many of the 10 Board members as possible, with at least four key Board members.

Leroux will also lead the designing and will facilitate the Board Workshop with Fumo, Libunao, DuPree and Heller.

**B. Management and Staff Development Track**  
Lead Senior Fellow: Libunao (Supported by Heller)

Simultaneous with the Board Development track is the Management and Staff Development Track. The purpose of this track is to develop a core group of change agents which can propel and see through the learning and evaluation process, link the strategic planning process with the learning and evaluation process.

In consultation with Fumo, the following five staff will form this core group: Marta, Eduardo, Nicolas, Anancio, and Celso.

The core group will meet primarily to design a learning process for the whole organization, and to agree on a timeframe to implement the process. Roles and responsibilities will also be decided upon. Secondly, the core group will undergo a lot of sharing processes to jump-start a pattern of sharing information within the organization. This sharing of information will contribute to greater flow of much needed data between the three divisions that would inform decision and actions.

A staff will meeting will be convened in the middle of the visit to be chaired by Fumo. This is a form of reporting back to the whole staff progress made so far in the work program of Senior Fellows. The core group will report to the big group the initial plan that they have made and ask for validation from the group. Commitment to the process will also be requested at this point.

**C. External Evaluation Track**  
Lead Senior Fellow: Libunao (Supported by Heller)

The external evaluation track will be largely the responsibility of the Executive Director since he will have to do the final negotiation with the local external consultants. However, the Senior Fellows will contribute to the process by working with the core group to identify key factors and deliverables. These would help shape the terms of reference for the external local consultants.

## ***Scope of Work, Intervention 2***

Dec 8 onwards

Post intervention 1 will cull out learning, key issues and factors which will be written up and reported to the Executive Director. This input is deemed important by the Senior Fellows to have a direct input into the strategic planning process.

A review process will be conducted and reflections will be documented into recommendations.

Part of this post intervention 1 work is laying down recommendations for scope of work for succeeding interventions.

## ***Senior Fellows Learning Agenda***

As part of the scope of work of Senior Fellows, they have set out for themselves, learning objectives that should be evaluated at the end of the engagement.

Leroux:

- Find out how to work with another Senior Fellow.
- Find out how one on one Board intervention will shape the collaborative decision making at the end.
- Find out how to map out a strategic planning process.

Libunao:

- Find out ways and means how to convince an organization to institute workable evaluation systems. For example, does initiating with reflections make a more systematic evaluation palatable and acceptable to an organization?

Tan:

- Find out similarities and differences among grant making organizations.

## ***Success Criteria***

(To be concurred to by Client)

Board Work

1. Board members articulate what their roles and functions are (this can happen during the individual interviews and/or during the board workshop).
2. Board members come to an agreement about governance issues that would be put before them for decision.
3. Board members come to an agreement about prospective action during the board workshop.
4. Board members articulate their support for the strategic planning process for FDC.

### Management and Staff Work

1. Core management staff able to share their work, outputs of their work, their learning as they go about their work and other information with each other.
2. Core management staff able to design a learning process for the whole organization.
3. Core management staff able to lead the learning process, and are able to see through the process.
4. Core management staff able to identify key factors that should be incorporated into the terms of reference of external consultants.
5. Core management staff able to plan interface with the external consultants as terms of reference are carried out.

### Documentation work:

1. Senior fellows with Synergos staff are able to provide adequate documentation of intervention for future Senior Fellows intervention.
2. Senior fellows are able to articulate and document key learning from the intervention as input to the strategic planning process.

## Agenda, Dec 3-7

Day	Morning	Afternoon
12/3	<p><i>Welcome, Introductions</i></p> <p>Presentation of <b>FDC context</b> (strategic plan) (Fumo)            Presentation of <b>Synergos</b> (DuPree? Heller?)            Presentation of <b>Synergos and FDC partnership</b> (Fumo? DuPree? Heller?)            Presentation of <b>SF Work Program</b> (Leroux)</p> <p>FDC Staff, Senior Fellows, Synergos Staff</p>	<p><i>Board Individual consultations</i> (Leroux, Fumo, DuPree)</p> <p><i>Core management staff meeting</i> (Libunao, Heller)</p>
12/4	<p>Board Individual consultations</p> <p>Core management staff meeting</p>	
12/5	<p><i>Learning, Evaluation and Strategic Planning Workshop</i></p> <p>Introduction/Context Fumo/DuPree</p> <p>Sharing of learning on <b>Strategic Planning (importance, goals, impact to the organization)</b> Leroux</p> <p>Sharing of experiences on <b>Evaluation and Strategic Planning Methodologies and Tools</b> Libunao</p>	<p><b>Presentation of Output of Core Management Staff</b></p> <p><b>Validation of Learning Process</b></p> <ul style="list-style-type: none"> <li>• Roles and Responsibilities</li> <li>• Commitment to timeframe</li> </ul> <p>FDC Staff, Synergos Staff, Senior Fellows</p>
12/6	<p>Wrap up (if needed)            Board Consultations            Core Management Staff Meeting</p>	<p>Senior Fellows, Fumo, Synergos Staff            Preparation for Board Meeting</p>
12/7	<p><i>Board Workshop</i></p>	<p>Evaluation Session            (Heller, DuPree, Fumo)</p>

## Tasks:

### Leroux

1. Cover letter to Fumo about design and requesting his commitment to free his staff on specified dates and ensure board members are available for interviews and present during the Board workshop.
2. Design the interview protocol.
3. Design the Board workshop and identify assignments for Libunao, Synergos staff, Fumo and FDC when needed.
4. Talk outline for the staff workshop (to be forwarded to Libunao specially)

### Libunao

1. Design the core management staff discussions.
2. Prepare talk outline for the staff workshop.
3. Prepare any sharing during Board workshop (if needed).
4. Prepare materials needed (summarize strategic planning process, learning organization, evaluation).
5. Agree with Leroux about documentation of the intervention.

### Heller

1. Gather interview protocol and documentation used by SF Guillermo in Quito, Ecuador (to be forwarded to Leroux).
2. Design and lead the evaluation process at the end of the intervention.

### Scott and Fumo

1. Ensure coordination, preparation needed is done on the ground.
2. Ensure participation of board and staff.
3. To agree on who would present Synergos and FDC partnership.



# EXPLORATORY STUDY ON THE SUSTAINABILITY OPTIONS OF COMMUNITY-BASED HIV/AIDS INITIATIVES IN SOUTHERN AFRICA

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## Background

The Synergos Institute, a New York based Non Profit Organisation (NPO) whose mission it is to work with indigenous partner organizations in Southern Africa, Latin America and South East Asia to fight poverty, has commissioned this study in an attempt to answer the following questions:

In view of the devastating extent of the HIV/AIDS pandemic in Southern Africa:

- i) **What is the institutional landscape of HIV/AIDS service providers?**
- ii) **What is the state of community-based HIV/AIDS initiatives?**
- iii) **Does the need exist for regional funding mechanism(s) to support these local initiatives? If so, what should it do, how, where and with what resources?**

In attempting to answer these questions I conducted more than fifty interviews with identified stakeholders including Non Profit Organisations (NPOs), key regional leaders and opinion makers, representatives from governments, the corporate sector and donor agencies.

Due to inter-related financial and time constraints, respondents were selected on a sample basis and, in as far as possible, in relation to their status as entities representative of stakeholder sectors. In relation to NPOs, more contact was made with NGOs and Community-Based Organisations (CBOs) located in urban centres than in rural areas. However, these organizations often had linkages with member or sister organizations in rural areas.

NGOs consulted in this study were typically relatively large, non-profit entities run by professional staff with boards from diverse and cross-sectoral backgrounds as well as target group participation. NGOs work with and on behalf of those affected by HIV/AIDS and can have community-based affiliates, although NGOs are themselves not necessarily located at community level. NGOs most often have well-developed fund development skills and hence greater success at resource mobilisation than CBOs.

CBOs consulted were smaller organizations located directly at community level, led and run by community members themselves. Most often these organizations are run by volunteers with minimal resources at their disposal.

Countries included in this study were Botswana, Lesotho, Mozambique, Namibia, South Africa, Swaziland and Zimbabwe – in Mozambique, South Africa and Zimbabwe some

interviews with stakeholders were also done by Scott DuPree and Peggy Dulany. Please see Attachment One for the list of stakeholders interviewed per country.

In June 2001, a draft report was produced on the findings from the stakeholder consultations and on needs analyses in relation to the question of whether the formation of regional funding mechanisms to support community-based HIV/AIDS initiatives was needed. Subsequently, these findings were shared with and discussed and verified by two working groups of regional stakeholders in July and August in Gaborone and Johannesburg respectively. These working group meetings further discussed and provided recommendations for future actions regarding possible regional options to fund and sustain community-based HIV/AIDS initiatives that are incorporated into the body of this report.

Anne Emmett  
Consultant (Development Finance)

## Regional Context – Human, Social And Economic Impact Of Hiv/Aids

Recent global estimates of persons infected by HIV/AIDS reach 43 million<sup>1</sup>. It has been reported that Sub-Saharan Africa accounts for more than 70% of global infections<sup>2</sup> and that Southern Africa in particular, was experiencing the worst HIV/AIDS epidemic in the world. In 2000 it was estimated that 12% of the population of the Southern African Development Community (SADC) was infected<sup>3</sup>.

This HIV/AIDS pandemic in Southern Africa holds devastating consequences for regional development and economic integration efforts and it is evident that it is undermining economic and social progress made in the post-independence period. Tanzania has experienced a 15 to 25% decline in GDP as a result of the epidemic<sup>4</sup> and in South Africa, it is estimated that by 2010 GDP will decline by 17%<sup>5</sup>. Furthermore, the International Labour Organisation estimates that Zimbabwe, Botswana and Namibia could lose 29-35% of their respective labour forces by 2020<sup>6</sup>. Zimbabwe's economy that is largely dependent on small-scale farming will be further ravaged as it is estimated that HIV/AIDS will soon reduce production levels in this sector by 61%<sup>7</sup>.

With rates of infection of as high as 36% of the adult population in Botswana, 25% in Swaziland, 24.3% in Zimbabwe and 24.1% in Lesotho it is clear that the region faces an ever-worsening disaster. More so in view of the fact that these figures are estimates and do not reflect statistics for entire populations<sup>8</sup>.

The quality of life in the region is experiencing a steady decline as indicated by:

- Reduced life expectancy levels:
  - In Botswana life expectancy levels stood at 39 years in July 2000 as compared with 65 years in 1996
  - By 2010 the following life expectancy levels are expected:
    - Botswana – 29 years
    - Swaziland - 30 years
    - Namibia - 33 years
    - Zimbabwe – 33 years<sup>9</sup>

<sup>1</sup> Mail & Guardian, September 21-27 2001

<sup>2</sup> Aids the Undeclared War, Towards Earth Summit 2002, Social Briefing No.1

<sup>3</sup> Alan Whiteside, The economic impact of HIV and AIDS in Southern Africa

<sup>4</sup> Aids the Undeclared War, Towards Earth Summit 2002, Social Briefing No.1

<sup>5</sup> SADC: HIV/Aids Pandemic, A Major Disaster for the Region, Mmegi, The Reporter, Gaborone, 7 May 2001

<sup>6</sup> Meeting the Global Challenge of HIV/Aids, Policy Brief No.75

<sup>7</sup> SADC: HIV/Aids Pandemic, A Major Disaster for the Region, Mmegi, The Reporter, Gaborone, 7 May 2001

<sup>8</sup> Ibid.

<sup>9</sup> Cape Argus, 6 February 2001

- Lower levels of human development:  
Evidence of this is the situation in Zambia where the Human Development Index in 1997 was lower than that in 1975.
- Erosion of the social fabric of countries and the region:  
With HIV/AIDS being the leading cause of deaths in most countries e.g. in Zimbabwe about 700 people die from HIV/AIDS related causes every week<sup>10</sup> (approximately 2000 persons as per the Sunday Mail) and in South Africa it is estimated that 1 in 4 deaths are caused by HIV/AIDS, countries face extreme social dislocation and worse poverty as skilled people in all sectors, leaders and parents die.

SADC at the regional level and individual countries are attempting to respond to the HIV/AIDS epidemic via the formulation of regional and national HIV/AIDS strategic plans which respectively articulate medium to long-term strategies and priorities for combating it. These largely multi-sectoral strategies appear comprehensive on paper although some strategic plans could be criticized by various quarters for not focusing sufficiently on certain aspects e.g. treatment via the provision of free and affordable drugs, the establishment of income generation programmes for persons living with HIV/AIDS etc. Critical to the existence of these strategic plans is the need for an assessment of the extent of implementation regionally and in each country. A key component of such an assessment would be an exploration of the levels of resources and capacity at the government level to fully implement HIV/AIDS strategies.

A look into this arena via this study indicates that levels of capacity in the public sector vary from country to country<sup>11</sup>. Apart from skills to deal with the pandemic is the question of financial resources. Regardless of how much each country spends on fighting the pandemic in relation to other budget line items e.g. defence, a major problem in the region is that resources at state level are insufficient to effectively deal with the epidemic because the ability of countries to finance effective AIDS programmes is determined by the amount of GDP available per infected person<sup>12</sup>. Current regional GDP levels have historically lent themselves to poor health care provision which is a situation that is worsening with high HIV/AIDS patient loads e.g. in Zimbabwe HIV/AIDS utilizes one quarter of health spending<sup>13</sup> and statistics for regional hospital bed occupations indicate that HIV/AIDS patients utilise 50-80% of beds<sup>14</sup>. Although some GDP levels might be relatively high e.g. in South Africa, the large size of its infected population poses real challenges for the government.

The inability of governments to provide effective treatment let alone a holistic HIV/AIDS strategy is directly related to the unequal status of Africa in the global economy. The heavy international debt burdens of Southern African countries result in

<sup>10</sup> SADC: HIV/Aids Pandemic, A Major Disaster for the Region, Mmegi, The Reporter, Gaborone, 7 May 2001

<sup>11</sup> Summary of the interview with the Honourable Minister of Health in Swaziland

<sup>12</sup> L. Chaudry, A South African AIDS Catch 22

<sup>13</sup> Meeting the Global Challenge of HIV/Aids, Policy Brief No. 75

<sup>14</sup> SADC: HIV/Aids Pandemic, A Major Disaster for the Regional, Mmegi, The Reporter, Gaborone, 7 May 2001

Structural Adjustment Programmes and austerity measures that reduce governments' social spending and their capacity to effectively provide for basic needs. Lesotho's external debt in 1999 stood at \$683 million, Botswana's at \$531 million, South Africa's at 27.7 billion, Swaziland's at \$290 million<sup>15</sup> Mozambique at \$1.4. billion and Zimbabwe at \$4.1. billion<sup>16</sup>.

While it is true that governments need more resources to step up efforts to fight HIV/AIDS, its civil society partners that complement and often, exceed the role played by government, also need the financial support of the donor community.

## Findings From Interviews

### Summary Of NPOs Work In The HIV/AIDS Related Field In Southern Africa:

- NPOs were found in most instances to be meeting needs at the community level that were not being met by other role players e.g. government and business
- NPOs worked to complement the work of governments and/or business e.g. the work of NACOSA at community level in support of the South African government's vaccine initiative and the work of the Red Cross Society in Lesotho focusing on reducing rates of transmission amongst girls and adolescent women in terms of the Lesotho government's strategic plan
- NPOs were at the forefront of developing models that could be used by other groups e.g. Catholic Aids Action, Namibia, on home based care and Community Solutions in Botswana on Gender Based Violence and HIV/AIDS

### Specific Areas Of Work And Service Provision By NPOs In The Region:

- Networking:
  - At regional level via the Southern African Network of Aids Service Organisations (SANASO)
  - At national level via in-country networks
- Education:

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<sup>15</sup> UN Report on the Economic and Social Conditions in Southern Africa, 2000

<sup>16</sup> World Factbook

- o HIV/AIDS awareness promotion via media campaigns, workshops, information production and dissemination
  - o Training of trainers
- Counselling:
  - o Pre and post testing counseling
  - o Counselling skills training
- Care:
  - o Home-based care
  - o Training of home-based care providers
  - o Provision of food for HIV/AIDS sufferers
- Orphans
  - o Care
  - o Integrated support
- Treatment Education:
  - o Provision of information on drugs e.g. how drugs work, how and when to take, side effects etc. – mostly in Botswana where the government has taken the decision to provide free and affordable anti-retroviral drugs in addition to treatment for opportunistic infections
- Employment of custom and indigenous medicines:
  - o Male circumcision
  - o Utilisation of indigenous herbs to treat the HIV/AIDS infected
- Income generation programmes:
  - o Skills training for persons living with HIV/AIDS
  - o Programme design and implementation
- Gender:
  - o Promoting awareness of the relationship between gender based violence and HIV/AIDS
  - o Programmes focusing on reducing rates of infection amongst girls and women who have a statistically higher rate of infection than men in the region
  - o Raising awareness of inequalities between men and women that assist in promoting the incidence of HIV/AIDS
- Youth:
  - o Programmes aimed to reduce rates of infection amongst youth
- Lobbying and advocacy:

- o Campaigns to secure the human rights of infected persons e.g. access to treatment and care, legislative reform etc.

## **Levels Of Institutional Development Of Regional NPOs:**

When attempting to assess the state of regional NPOs, this study generally focused on ascertaining levels of institutional development of and financial sustainability of a sample of organisations. Many but not all organizations interviewed showed constraints on capacity, largely caused by insufficient funds. Conversely, the fact that organizations have insufficient funds can be tied to weaknesses in institutional development.

Both older and newer organizations are struggling with resource mobilisation in that older organizations face attrition due to donor withdrawal from Southern Africa due to changing donor priorities in favour of other regions in the world such as Eastern Europe. In some countries like South Africa and Namibia where democratic governments have been elected in the last decade or so, this has been starker and more dramatic than in others, resulting in sizeable attrition levels among NPOs.

Some older organizations such as the Family Life Association of Swaziland (FLAS) - established in 1980 to provide sexual and reproductive health services prior to the identification of the first case of HIV/AIDS in Swaziland in 1986 - show relatively higher levels of capacity in that they have sizeable budgets, programmes, tried and tested organizational policies, procedures and a track record of delivery. In this particular instance FLAS is the only organization interviewed that has an endowment obtained as a result of a donor's withdrawal strategy. However, in spite of its relative strength it has retrenched staff on an annual basis since the withdrawal of its major donor.

Most organizations interviewed can be described as being young given their focus and having been formed in the 1990s. Due to organizational weaknesses borne out of inexperience in basic management practice and a generalized skills shortage amongst all layers of staff many of these organizations fail to attract and retain donors often in spite of donor preparedness to support HIV/AIDS programmes. Although some organizations view the lack of funds as the main problem affecting their capacity to develop and implement programmes, it is highly likely that given their fundamental organizational weaknesses, these organizations have little capacity to effectively absorb additional sources of funds and to do so in an accountable manner. However, not all younger organizations are in the same position.

In those younger organizations that are growing in strength - e.g. to mention a few, Kindlimuka in Mozambique, The Aids Consortium (South Africa), The Aids Information and Support Centre (TASC) (Swaziland), Coping Centre for People with HIV/AIDS (COCEPWH/A) (Botswana) and Catholic Aids Action (Namibia) - it is notable that relatively high levels of staff experience in managing organizations, financial management, program planning, implementation and evaluation exists. Furthermore, effective governance is evident in these organizations with board members clearly

understanding and executing their roles. An interesting phenomena that emerged is that where organizations developed as local off-shoots of Northern based non-profit organizations which was the case of FLAS, TASC and COCEPWH/A, a sustained mentoring process prior to becoming indigenous organisations took place with notable effect.

### **Number, Size And Absorptive Capacity (Funds) Of NPOs Focusing On HIV/AIDS Related Work Regionally:**

According to SANASO's 1999 Annual Report<sup>17</sup> it had the following number of member organizations in the countries surveyed:

Country	Approximate number of organizations
Botswana	27
Lesotho	25
Mozambique	100
Namibia	32
South Africa <sup>18</sup>	1200
Swaziland	17
Zimbabwe	120

In addition to these approximate figures that would most likely have changed upward by 2001 based on the increase in the incidence of HIV/AIDS and the concomitant trend for the mushrooming of new organizations in each country, each SANASO member organization could also have its own members. For instance, in Botswana, COCEPWH/A which is a member of the Botswana Network of Aids Service Organisations (BONASO), is itself a member organization and has approximately 130 members. The Botswana Network of Persons Living with HIV/AIDS, also a member of BONASO, has 300 members. Similarly in South Africa, the AIDS Consortium has 400 organisations and 300 individuals as members. This factor makes it a challenge to identify exactly how many organizations focusing on HIV/AIDS related work exist in the region. However using Prodder as a guide, 5600 development organizations exist in the region. Of these, given the prevalence of HIV/AIDS, there are about 2000 working in HIV/AIDS related fields.

Of this approximate 2000, roughly 50% can be identified as "start up", 35% as "developing" and 15% as "mature". These are assumptions made in the absence of reliable data on the subject and largely on an extrapolation of the findings of this study discussed earlier.

<sup>17</sup> SANASO 1999 Annual Report

<sup>18</sup> South African AIDS Directory

Stage	Type of Support Needed
1. Start up – approximately 50%	<ul style="list-style-type: none"> <li>▪ Generalised management skills training</li> <li>▪ Financial Management skills training</li> <li>▪ Strategic planning</li> <li>▪ Governance training</li> <li>▪ Budgeting</li> <li>▪ Fund Development</li> <li>▪ Operational funds</li> <li>▪ Programme funds</li> </ul>
2. Developing – approximately 35%	<ul style="list-style-type: none"> <li>▪ As above with some variation</li> </ul>
3. Mature – approximately 15%	<ul style="list-style-type: none"> <li>▪ Ongoing organizational development; strategic planning</li> <li>▪ More funds for operations and programmes due to higher levels of delivery capacity</li> <li>▪ Fund development</li> <li>▪ Long term funding e.g. endowments</li> </ul>

HIV/AIDS funding is growing. South Africa, for example, announced that support for the HIV/AIDS pandemic is being increased from US\$11 million to US\$55 million by 2004<sup>19</sup>. While the International AIDS Trust website reports that globally US\$4 billion per year is needed to fight the virus. With the Southern African region representing approximately a quarter of HIV/AIDS cases needs for funding are in the scale of US\$1 billion per year.

There are thousands of community-based organizations and about 2000 NPOs focusing on HIV/AIDS related work in Southern Africa. Those with the greatest absorptive capacity would include the 300 “mature” organizations that already have a track record and would be able to quickly make use of grants. Mobilising increased resources to these organizations and others will begin to address the needs of the NPOs given the rising cost of the pandemic.

<sup>19</sup> Business Day (Johannesburg) November 9, 2001

## **Southern African Network Of AIDS Service Organisations (SANASO):**

Most organizations interviewed are either directly or indirectly affiliated to the Southern African Network of Aids Service Organisations (SANASO). It is significant that all organizations appear to a greater or lesser extent to be affected by the weaknesses inherent in its mother body characterized by having visions and missions that lack the required levels of organizational capacity to implement programmes. While some of its affiliates have been able to become quite strong, such levels of strength have not always been sustained with organizations such as NACOSA (South Africa) and NANASO (Namibia) – both formed in the 1990s - losing their initial impetus, organizational strength and sources of donor funding due to growing too large too soon. On the positive side, both these organizations have approached their situations critically and are evaluating their experiences so as to learn and grow as organizations.

A factor for SANASO to consider is that many respondents felt that it should be playing a more active and supportive role with regard to fund development and the development of sustainability plans.

## **Long Term Sustainability Strategies And Planning:**

Consciousness and awareness amongst organizations of a “life beyond aid” as non-profit organizations varies with some not thinking of developing organizational sustainability plans. This is largely due to the fact that many organizations do not know how to do this and/or are caught up in the immediate relevance of HIV/AIDS related issues and crises. Others feel that they must and will continue to be supported by donors as they share a mutually beneficial relationship. There are however those organizations that are actively engaged in working towards developing longer-term sustainability e.g. building reserve funds and developing organizational management systems and processes.

### *Recommendation:*

*Sustained capacity building programmes focused on developing the full spectrum of board, management and staff skills required for running effective organizations is required in the region if organizations focusing on HIV/AIDS amongst other development issues, are to become viable, effective and sustainable actors and players. Many donors and other agencies have historically contributed towards capacity building programmes in the region. These are aimed at developing human resources in general due to low levels of human resource development that can be directly related to the legacies of colonialism, apartheid and war. However, the content, duration and methodology of these programmes need to be evaluated as the notion of capacity building has become an end in itself and has little vibrancy and contextual relevance in Southern Africa.*

The need expressed by COCEPWH/A<sup>20</sup> for a regional leadership institute focusing on building leadership and capacity in and amongst organizations working in the field of HIV/AIDS therefore has much resonance although this should not be limited to only these organizations. The reality that exists now is that NGOs and CBOs need further capacity building support on a sustained basis in order to effectively utilize additional sources of funding and to increase programme implementation to levels required in each country. This will serve to further strengthen those organizations that are already strong as well as those described as being weaker organizational entities.z

### **HIV/AIDS Related Needs / Gaps Identified By Stakeholders As Requiring Greater Funding And Donor Support:**

Overall views from respondents on this matter were focused on current gaps and needs that were being inadequately met or not being met at all and is based on organisations' experience on the ground. Much of these needs and gaps identified appear in individual country's national strategic plans and would seem to suggest that these are inadequately provided for or not provided for at all by government and its partners. An interesting pattern that emerged was that few respondents were critical about the lack of integrated HIV/AIDS development initiatives focusing on poverty alleviation.

#### 1. Counseling:

- Provision of pre and post testing counseling
- Provision of voluntary testing facilities
- Counseling skills training – many respondents felt strongly about the lack of counseling skills training and the quality of counseling:
  - Some respondents felt that there should be a regional counseling training facility so that people did not need to go to other African countries or overseas for training, one respondent felt that each country should have their own counseling training facility. This need was expressed in that it was felt that counseling skills gained required ongoing reinforcement and strengthening as the quality of counseling imparted affected individuals and communities' psycho-social and behavioural responses on a long term basis and was therefore intricately linked to prevention approaches
  - Important aspects of counseling training currently lacking included understanding and contextualising culture and tradition in the counseling and coping process
- Counselors need counseling themselves to cope with what they deal with on a daily basis

#### 2. Volunteers:

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<sup>20</sup> Summary of interview with Ms Anneke Visser, COCEPWH/A, Botswana

- Stipends for volunteers were felt to be important as often the work of CBOs and NGOs depended on their efforts for direct programme implementation. However, volunteers were mostly unemployed women and others working on an unpaid basis and covering their own costs when they were already surviving on almost nothing themselves. Voluntarism therefore needed to be strengthened by adequately covering the costs incurred by volunteers e.g. for meals, transport and general overheads such as soap

### 3. Home based care

- Provision of home based care at community level was a generalized need. This includes:
  - The need for training of care givers in: - primary health care delivery; understanding HIV/AIDS; administering of medicines – this will be particularly crucial in those countries like Botswana where the government has agreed to provide anti-retroviral drugs in 2001; training in palliative care and care of the terminally ill
  - Provision of food for the ill as care givers who often have no food for themselves end up feeding desperately ill people; training in understanding the nutritional needs of the HIV/AIDS infected
  - Basic equipment and materials such as medicines, gloves, linen and soap
- There were some concerns expressed about whether home based care in its present form i.e. implementation by isolated, untrained and impoverished community members was actually working - pointing to the need for an assessment to establish the full range of problems, needs and successes in home based care provision and models that need replication.

### 4. Treatment / Medication:

- The provision of free and affordable drugs to stave off the effects of HIV/AIDS and to prolong life was a common need identified amongst respondents. These include anti-retroviral drugs as well as drugs for the treatment of opportunistic infections
- Training on how to dispense these for all levels of care givers
- Education programmes at community level about the potential effects of drugs, both positive and negative (where currently applicable)
- Directly observed treatment (where currently applicable)

#### 5. Research:

- There is the concern amongst stakeholders that insufficient research has been done about the full spectrum of regional HIV/AIDS related issues and debates. Issues such as the impact of culture and tradition on changing behaviour patterns, educational campaigns and the use of traditional medicines are hence not being adequately researched, documented and disseminated regionally. It was felt that in order to beat HIV/AIDS in the region, more information was required to be shared by all stakeholders.

#### 6. Education

- Information and Education campaigns
- Information appropriately contextualised e.g. in terms of gender, language and culture
- Review of education campaigns in view of increasing incidence of HIV/AIDS

#### 7. Orphans:

- With millions of orphans in the region, a well researched response is required to adequately deal with this problem
- Concerns here included the fact that governments in their efforts not to institutionalize orphans are placing an additional burden (i.e. in addition to home based care) on already overburdened and impoverished extended families and communities

#### 8. Skills training:

- Generalised technical/medical skills required for dealing with HIV/AIDS is required for all layers of care givers
- Generalised board, management and staff skills training for NGOs and CBOs
- Lobbying and advocacy
- Leadership skills training

#### 9. Income generation programmes for Persons Living With HIV/AIDS:

- Although income generation programmes for PLWH/As existed these were few and far between
- Income generation programmes that were integrated with other development initiatives and processes at community level
- Technical skills training e.g. crafts, gardening, sewing etc.

#### 10. Networking:

- In-country networking takes place unevenly throughout the region e.g. in South Africa there is not a functioning national network of all organizations in the sector
- Regional networking needs strengthening to promote organization building and vigorous regional debate on the development of strategies – i.e. within and across sectors

This summary of needs was verified at the two stakeholder working group meetings held in July and August 2001 in Gaborone and Johannesburg respectively. A further need identified at these meetings was for the development of anti-stigma processes. It was felt that the prevailing stigma surrounding HIV/AIDS was a major reason for its increasing incidence in the region in that it was a powerful factor in preventing HIV/AIDS from becoming a visible, acknowledged reality. HIV/AIDS is hidden in many communities as it is a social and cultural anomaly - often ill and dying people are said to be suffering from other illnesses such as tuberculosis, pneumonia, etc. and are often believed to be cursed or affected by witchcraft rather than the acknowledgement that people are dying of Aids. Stigma most often stems from ignorance and real fears of what HIV/AIDS is, how it is contracted etc. It is hence a powerful force in the spreading of HIV/AIDS as people continue to engage in high-risk behaviour because of ignorance and/or because of the extensive creation of myths to explain both the known and the unknown.

#### *Recommendation:*

*When attempting to prioritise needs as presented one faces a difficult task as all of the above are integral to combating HIV/AIDS in the region. However, at the risk of reducing the importance of other needs which is not intended, I would recommend that the provision of care i.e. home based care, orphan care and treatment/medication; skills training; income generation programmes and education/prevention programmes are immediate priorities.*

## **Summary Of Responses On Possible Regional Options To Support Community-Based HIV/AIDS Initiatives:**

### i) General comments:

In general, responses from stakeholders appeared to emerge from each organisation's immediate needs, concerns and constraints.

Most organizations had either knowledge or experience of working with foreign donors as these were seen as being more active in comparison to local donors pointing to the fact that the local donors that exist are less visible and engaging. Too few donors were

seen to be supporting NPOs directly and the actions by government HIV/AIDS funding initiatives and corporate donors were seen as being controversial.

ii) Views of government funding practices:

- Governments were seen to be competing with NPOs for scarce donor funding for HIV/AIDS programmes
- Countries such as Swaziland, Botswana, Zimbabwe, Namibia and South Africa have government HIV/AIDS funding programmes/activities to support the work of NPOs but these were not always viewed as being effective e.g.:
  - o Funds designated for NPOs are not reaching these organizations due to bureaucracy and the lack of technical capacity – setting up grant making programmes and procedures takes too long
  - o In Swaziland mainly in-kind grants were made to organisations as opposed to direct monetary grants
  - o In Zimbabwe the National Aids Trust Fund was seen as:
    - being riddled with corruption and serious governance problems
    - lacking capacity in general
  - o In Botswana:
    - there was little evidence of monitoring and evaluation of funded programmes
    - grants via the “Project Support Document” (PSD) were viewed as being “insensitive” as these were intended for quarterly disbursement but were often late, hence affecting programme implementation. This PSD also typifies donor-grantee power relations manifested in grantees not knowing the time period and total value of grants
  - o Government in each country was seen to be gate keeping on behalf of outside donors (mainly multi and bi-laterals and foreign-based pharmaceutical companies who are required as a matter of protocol to work in close consultation with governments) by sanctioning which organizations got funding, for what and for how much - an NGO representative in Swaziland felt strongly that government was responsible for “killing” NGOs by playing God and deciding who survived and who did not. When querying this aspect with the Chairperson of the Swaziland Crisis Management and Technical Committee the response - that could probably be generally applied to all governments - was that government felt that it was their responsibility to guide donors as to the socio-political terrain of their countries, the NGO and CBO contexts as well as specific needs in terms of its national HIV/AIDS strategy.

*Recommendation:*

*NPOs in the future need to influence governments to support HIV/ AIDS programmes that fall outside the ambit of their respective strategic plans in order to accommodate innovative community-based programmes that show the potential of working and being replicated. Rights based lobbying and advocacy programmes are needed.*

## iii) Views on the Business Sector:

In most countries it was felt that the business sector mainly in the form of individual enterprises was beginning to wake up to the realities of HIV/AIDS as it began to impact on their interests - but that the sector as a whole was not yet fully aware or organized. Hence in terms of corporate social investment practice with regard to HIV/AIDS, mining and pharmaceutical companies stand out as being the most active regional players. In the latter group, Bristol-Myers Squibb (BMS) via its \$100 million Secure the Future programme, was most mentioned as a regional donor and the Merck/Gates partnership (\$50 million contributed by each) in Botswana as a potential donor. Some organizations were critical of these entities in that they were seen as working too closely with governments.

## iv) Views on other donors:

- Foreign donors and aid agencies:

These are mainly European and North American bi and multi-lateral funding sources, aid agencies, private foundations and corporate foundations. For a fuller scope of the range of donors and aid agencies please see the summaries of interviews conducted. In general, these sources of support are seen as being valuable and without which programmes would not be implemented due to a lack of funds and technical assistance. However, respondents were critical of the imposition of donor-driven agendas and unequal power relationships between donors and grantees manifested in the perceived lack of sensitivity to their needs e.g. the fact that administration costs were often not supported and the need to be acknowledged as partners not merely recipients.

- Regional Indigenous Independent Grant makers and Intermediaries:

Indigenous grant making entities, albeit not present in all countries, also provide funds for HIV/AIDS related programmes. Where these existed e.g. Zimbabwe, South Africa, Namibia and Mozambique indigenous grant making entities were viewed positively as donors due to:

- Their proximity to regional development and HIV/AIDS related contextual issues
- Working with grantees as partners on an engaging basis

- Their understanding of organisations' sustainability problems
- Being Southern African organizations that have effective grant making expertise

### **Recognition Of The Urgent Need For Regionally Based Independent Entity/Entities To Fund And Support Community-Based HIV/AIDS Initiatives:**

Respondents almost without exception, felt that there was an urgent need for a regionally based independent entity/entities to fund and support community based HIV/AIDS initiatives. Reasons include:

- NPO run and led community based programmes having direct or potential impact at mitigating the effects and incidence of HIV/AIDS are inadequately supported by existing donors
- NPOs are filling the vacuum of service provision at community level
- The space occupied by some existing regional donors i.e. government, foreign and corporate donors is contentious due to reasons outlined elsewhere in this report

What emerged quite clearly from the study is that NPO stakeholders want to see an independent regional funding entity/entities – to complement government, corporate and foreign funding sources but to operate separately. Such an initiative(s) - should meet their needs in an un-bureaucratic, transparent, participatory and engaging way. Respondents have overwhelmingly rejected current and past relationships with donors that are based on donor-driven, top-down agendas and power relationships. Organisations would for instance want to be extensively consulted about their needs and the development of funding programme objectives. NPOs are therefore seeking to develop a more organization friendly donor partnership with a locally based entity/ties that understands their needs for sustained growth.

The need for rapid formation and action was emphasized in that funding should be disbursed immediately. The approach to be adopted should be that of “we must stop the war” and long, laborious start up processes typical of state funding initiatives should hence be avoided at all costs.

Most respondents were not particularly clear on what structure or form a regional funding mechanism(s) should take. However, one main option emerged:

- A central regional fund with in-country representation in the form of indigenous intermediary grant makers/ Fund composed of inter-locking national funds:

Views on formation and structure of the above-mentioned concept was articulated in the following manner:

- o A central fund should have a head office in one particular country and also have in-country representation in each country via the utilization of existing grant making expertise
- o The regional head office should be based in a country that has the political will to tackle HIV/AIDS immediately
- o It should be based either in Namibia, Botswana or South Africa as these countries were seen as being politically stable and relatively strong economically
- o For some respondents it did not matter where it operated from as long as it functioned in a transparent fashion without bias towards any particular country
- o Indigenous intermediary grant makers should meet to discuss who does what, where, how etc. and to consider their views as a sector on this concept
- o Based on experiences of regional HIV/AIDS work coordinated by the Southern African Network of Aids Service Organisations (SANASO) some respondents felt that a central regional funding mechanism:
  - o Should at governance level have structures that are representative of all countries in which the fund will be working
  - o Should have a rotating secretariat i.e. from country to country
  - o No matter where it is located, it should not be headed by a national from that particular country – this reflects a somewhat diverse view

With regard to responses on sources of funding these centred on:

- Governments
- All forms of foreign donors
- Large corporations with regional interests e.g. Coca Cola, various mining houses

Interestingly, the endowment concept did not emerge as an option – largely due to the fact that there is little regional experience and knowledge of the concept.

## Recommendations

In considering options for the sustainability of regional community-based HIV/AIDS programmes, three immediate options present themselves:

- a) A central and formal regional fund operating regionally from one base

- b) A regional fund centrally situated and coordinated in one country with in-country representation by existing grant makers and with funds held in the region / A fund comprising of inter-locking national funds
- c) A regional fund centrally situated and coordinated in one country with in-country representation by existing grant makers but with funds held off-shore

Of these, option (b) of a fund comprising of inter-locking national funds via indigenous intermediary grant makers and with funds held in the region as recommended by regional stakeholders appears to be the most feasible as:

- What stakeholders are proposing is the need for a Southern African led solution to the HIV/AIDS pandemic hence this option endorses this proposal as it positively acknowledges existing regional grant making expertise
- There is representation of these entities in Mozambique, Zimbabwe, South Africa, Botswana, Swaziland and Namibia. These include the Tibofo TakaNgwane Trust in Swaziland, the FDC in Mozambique, the Nelson Mandela Children's Fund, the Social Change Assistance Trust, Interfund and the Aids Foundation in South Africa and the Community Foundation for the Western Region in Zimbabwe.
- These organizations have track records of resource mobilization from a range of sources. Some existing donors could potentially be lobbied to contribute towards a regional fund.
- These organizations have track-records of developmental grant making practice suited to their respective contexts
- Organisations have developed sound partnership models with grantees that includes capacity building and forums for dialogue between donor and grantees
- These organizations have track records of good governance and accountability for funds raised
- Utilisation of existing expertise takes away some initial regional start up costs in that the wheel does not have to be reinvented.
- Rapid disbursement of funds to community based initiatives becomes a reality as existing grant making processes only need fine tuning after initial time is spent on developing a regional grant making programme
- This model serves to strengthen the indigenous grant making sector in each country and the region by deepening funding programmes and increasing levels of resources for community based development processes. Where countries do not have independent indigenous grant making entities these will need to be established via an agreed process with stakeholders
- This model will provide a centrally coordinated regional HIV/AIDS related funding strategy that will strengthen the regional response to the epidemic

without undermining existing and emergent in-country initiatives and variations

**However in considering the feasibility of this model the following should be given due consideration:**

i) Location of a centralised regional fund:

When deciding on location it is recommended that the degree of democracy and relative strength of civil society in any country be given important consideration as these factors would imply that this potential entity would receive protection from state intervention from a wide range of sources. This would also enable this entity to be working independently yet in partnership with governments and other stakeholders. This almost immediately rules out Swaziland, Zimbabwe and Lesotho of those countries engaged thus far and leaves Namibia, Mozambique, Botswana and South Africa as contenders for location. Of these, Botswana is seen as being the most likely contender due to the government's demonstrated political will to deal with the pandemic, the location of SADC headquarters being there and the fact that it has favourable foreign exchange regulations. However, the fact that there is only one identified indigenous grant making entity – that focuses on the environment – raises the question of whether sufficient existing indigenous grant making expertise exists in Botswana to warrant it being the headquarters of a centralized fund. At the same time, if stakeholders consider as material the factors positing Botswana as the likely home for a regional centralized fund, another question of whether intensive support would be required to establish a grant making entity there that is based on existing NGO and CBO organizational practices linked to “giving”. This could entail providing existing organizations that play an embryonic funds disbursement role such as COCEPWH/A with support to develop a larger grant making capacity should it wish to do so. Ultimately however, the decision on the location of a centralized regional funding mechanism should be taken by stakeholders.

ii) Structure, governance and accountability:

- It is recommended that the central “head office” be as lean as possible e.g. staffed only by an executive director, a deputy director, financial director a programme director and a limited number of support staff persons per post. These staff should come from all over the region and not only from the country where this office is located and their main purpose is leading and coordinating the regional initiative.
- There should be a board with equal representation from all countries. Agreement would need to be reached on which sectors should be represented or whether stakeholders should be part of such a board. There are arguments for and against this – on the one hand it could be argued that stakeholders need to be represented at board level in order to both provide direction and monitor the work of the interlocking fund. At the same time, it could be argued that this would introduce conflicts of interest

as well as a climate for conflict as countries and organizations could compete for resources instead of working together for the regional good. It is felt that the latter could potentially be overcome by the development of and strict adherence to a code of conduct for board members as well as the introduction of other policies aimed at preventing the emergence of conflicts of interest. It is unlikely that an objective group with little or no interest in raising the level of resources needed to upscale community capacity would function effectively as a board as it is likely that such a grouping would be removed from HIV/AIDS related issues.

- The question of rotation of the central fund or a secretariat at another level, would require discussion by stakeholders as this has been a sentiment that has been expressed repeatedly. The reality is that there are few if any examples of rotation working. I would argue that this concept would be impractical as it would be expensive, time consuming and a drain on capacity of an inter-locking fund. It is felt that stakeholders feel strongly about this concept as one country has been seen to be dominating SANASO, an organization that stakeholders have experience of at regional level. I wish to posit that the issue of rotation is not the key to greater participation by all countries but an agreed upon organizational culture, values and concomitant policies and procedures to guide an inter-locking fund. These need to be openly discussed and agreed upon by stakeholders.
- Developing a clear and accountable governance structure would be crucial to the success of this initiative to form an interlocking regional fund. This would determine broader stakeholder buy-in particularly on the part of donors, as well as determine the programme, operations and ultimate impact of this fund in combating HIV/AIDS via enhancing community capacity to do so. It is strongly recommended that no major actions should be undertaken until the important matter of governance has been distilled.

### iii) Funding sources

A question that needs to be asked is where is funding for a regional funding initiative to come from? What are likely sources?

#### *Southern African Corporates:*

The ideal scenario would be that funds should come from within Southern Africa itself. Where are local sources of funding likely to come from taking into account the fact that all Southern African governments have budgets for HIV/AIDS that do not cover their countries full needs and the related fact that all governments have external debts running

into billions of US Dollars in each instance? The most likely source would be from the business sector in each country and particularly from those Southern African entities operating across borders and multi-national corporations operating in the region but most likely with their headquarters in Europe or the USA.

As indicated by the summaries of interviews in each country, local corporations are not yet significant contributors towards social development and HIV/AIDS in their respective countries. This varies from country to country with regard to HIV/AIDS and is related to how much the particular business or sector is affected. The fact that significant funding is not yet channeled to CBOs and NGOs is not a static situation and this sector will show that it is in its interest to act on the matter if lobbied and presented with appropriate options for providing funds. This is a sector that must be prioritized for contributions to a regional fund. Such local sources of funding could then be utilized to leverage external sources of funding.

Purely Southern African entities operating across borders are few and far between but do exist. Examples of this are the transport industry which has a very direct stake in combating HIV/AIDS, various retail chains with head offices in South Africa and branches throughout the region e.g. Pick 'n Pay Stores, Shoprite Checkers, Jet Stores, Woolworth's etc. in whose interest it would be to support a regional fund as part of their Corporate Social Investment activities in individual countries. This group also includes the service and hospitality sectors, the agricultural and manufacturing sectors. The challenge to be presented to these concerns is that they need to develop regional CSI strategies as part of their regional marketing and retail strategies.

*Multi-national Corporations:*

Multi-national entities operating in Southern Africa are also likely sources as they outnumber local businesses in size, budget and relative wealth. These include mining houses, the tobacco industry, petrol and oil industries, agriculture and manufacturing sectors. In this sector the mining houses have taken the lead in acting on a country by country basis due to the impact of HIV/AIDS on the workforce e.g. in South Africa Anglo American is providing testing facilities and treatment for staff.

*World Bank:*

In 2000 the concept of loans to assist African governments was mooted but largely rejected by Southern African governments due to amongst other reasons, individual countries' existing debt burden. An exception is Zambia. This initiative however seems to have been short-lived. An assessment of this strategy would be potentially useful from the point of view of learning lessons of what a funding strategy should entail and what it should not. On the whole this is not an option that should be pursued as it would increase regional debt and poverty at the expense of afflicted communities. It is also not certain whether this strategy still exists.

*African Initiatives:*

These include the New Partnership for Africa's Development (Nepad) and the recent formation of the African Union which are not seen as being mutually exclusive as both aim to end poverty, disease, war etc. in Africa. The former is aimed at developing African solutions to the continent's problems e.g. ending poverty, bringing about sustainable development, ending wars and conflicts, ending corruption, building good governance and bringing Africa's needs to the attention of the G8 countries in order to garner a range of support including financial resources so that Africans can develop and implement their own solutions to their problems. A key issue mentioned as needing support is the fight against HIV/AIDS. This presents an opportunity in that a regional funding mechanism as envisaged by this study can be developed and presented to this body as a cogent and coherent vehicle for successfully reaching community-led initiatives in Southern Africa.

Similarly the African Union presents another opportunity to generate income for a regional funding mechanism as it will eventually have a parliament, an executive commission, a court and a central bank. Again, clear strategies as to how funds will be able to reach communities will need to be developed and presented to such an entity in order to attract funds. A clear model could also be utilized in other parts of the continent if it can demonstrate effectiveness.

Both of these present real options depending on how successful they are in raising capital as they represent initiatives by Africans for Africa. It is not yet clear how much resources has been identified as being required to combat HIV/AIDS, how much will come from Africa and how much from elsewhere.

*UN Global Fund:*

The UN Global Fund against AIDS has been mooted as a response to curtail the worldwide incidence, spread and impact of HIV/AIDS. This initiative to which some African countries have already contributed financially needs to be presented with a way/s within which to work in Southern Africa as a region. It needs to be convinced that a UN led HIV/AIDS fund in this region will perpetuate the problems of HIV/AIDS and poverty as its modus operandi will be decided from above by an international UN team for replication in all regions of the world almost regardless of variations. Moreover, the UN needs to be presented with a clear plan on what, where, how etc. a regional fund run and led by Southern Africans would work better than a UN led initiative in order to secure funds.

An alternative to the above-mentioned option exists, albeit less favourable, in that a UN Managed Fund could disburse funds directly to existing regional grant making organizations for re-granting to NGOs and CBOs. This option would however to be viable, require a degree of regional coordination to ensure synergy amongst organizations in their work aimed at achieving local and regional impact. Such coordination is likely to come from a UN headed source which has already been postulated as being less desirable than regional coordination by Southern African entities. Also, funds along with

other facets of the opportunity of develop a holistic Southern African response to HIV/AIDS would be retained off-shore.

It is worthwhile bearing in mind that the two above-mentioned options could work simultaneously i.e. the UN directly supporting a regional fund and the UN directly disbursing funds to grant making organizations for re-granting at the same time if it means that the UN needs to be convinced of the merits of existing inter-mediaries. It could support individual inter-mediaries whilst also on an incremental basis e.g. over a period of three years provide funds to a regional endowment-type fund. The latter would need to be a substantial pool of funds as it would need to continue to provide funds for inter-mediary organizations to re-grant funds on a sustained basis should the stage be reached when the UN no longer supports these individual inter-mediary organizations.

*Debt-forgiveness:*

In view of Southern African countries' high international debt levels the formation of a regional HIV/AIDS funding mechanism would be an opportune moment to provide the IMF, World Bank etc. with requests to write off debts in order to release state funds budgeted for debt into an independent central regional HIV/AIDS development related pool of funds. A clear plan of how funds will be managed and utilized will need to be devised if this strategy is to succeed.

iv) Way forward:

- 1) This process needs regional ownership to succeed
- 2) Related to this would be the need for a meeting of key champions identified in the summaries of interviews from each country - with cross sectoral representation. The aim of this meeting would be to decide on ownership / who would steer it forward, how, with what resources, implementation steps and time frames.

Stakeholders would also need to decide on the shape of the model and its implications e.g. on governance, on the location of the central "head office", whether rotation at various governance and operational levels is viable, budget allocations per country, how intermediaries will account to a central body without losing their independence etc.

- 3) Intermediaries need to get together to discuss their work and whether/how they see themselves working as part of a regional funding mechanism

## Conclusion

Although it is known that HIV/AIDS afflicts all social classes, throughout the world it has been shown that the poor are most susceptible to it due to unequal access to a range of basic needs e.g. food, shelter, education, employment, medical care, social security etc. Since the poor and socially marginalized will be increasingly affected, it is incumbent upon donors to acknowledge and form relationships with organizations working directly with the poor at community level, often run by communities themselves to mitigate the impact of poverty and HIV/AIDS. In conjunction with forming bi-lateral and multi-lateral development partnerships with governments it makes economic and strategic sense to also work with NPOs via a regional HIV/AIDS development related fund that has in-country representation based on existing expertise as:

- Increasingly civil society organizations are filling the space traditionally occupied by governments in terms of caring and providing for its people
- Strengthening civil society organizations strengthens citizen input into democratic processes e.g. multi-sectoral HIV/AIDS related strategies
- They work at the coal face thereby having greater potential for direct impact in combating HIV/AIDS
- Community based and led solutions make for more sustainable solutions to HIV/AIDS

# **SYNERGOS PRESS RELEASE**

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## **Mozambique foundation to manage major US grant to combat HIV/AIDS**

**New York, NY, October 22, 2001**– The **Community Development Foundation (FDC)** of Mozambique has been chosen to implement a three-year grant of US \$11.5 million from the United States Agency for International Development (USAID) for a major anti-HIV/AIDS program.

The assignment to FDC to manage this grant – which will support Mozambican HIV/AIDS prevention and care organizations - is significant because it demonstrates that local foundations can offer a direct channel for getting American assistance to HIV/AIDS-affected communities in Africa. The potential of reaching communities with the assistance of local foundations is a recent development, because community development foundations themselves are still relatively new in many parts of the world.

An important aspect of the grant is that it represents the first time in Mozambique that local and national HIV/AIDS organizations will work together in a strategic collaborative on projects ranging from information dissemination and education to health care delivery. FDC has been preparing for this program for more than a year and a half and has developed an internal staff of 12 people to work on it exclusively.

Known as the Development Corridor of Hope, the program will involve individuals and communities living along the Maputo Development Corridor - a critical road and rail link between South Africa and Mozambique - in the distribution of information designed to combat HIV/AIDS and encourage safe sexual practices. The program also aims to improve health care for those living with HIV/AIDS and to tackle the discrimination they encounter in their communities. Official estimates say that about 16 percent of Mozambique's population of 17 million is HIV-positive, with 700 new infections occurring daily.

The FDC was established in 1990 as the Association for the Development of the Community and became a formal community foundation in June 1994. It was the first institution of its kind in Mozambique, focusing its activities on generating resources to support community development initiatives. The FDC is chaired by Graça Machel, former first lady of Mozambique and South Africa.

The Synergos Institute has worked closely with FDC since its founding, providing a range of support services, including information, training and direct assistance. Currently, Synergos and FDC are working together to facilitate the emergence of new philanthropic practices and organizations in and outside of Mozambique, with an emphasis on

identifying innovative and effective new practices that will pay off in technical and material resources for years to come.

This type of partnership is emblematic of the work of Synergos, which has received support from a wide range of funders, including the Ford and Rockefeller Foundations, to work with partner organizations in nine countries in Asia, Africa and Latin America to strengthen their capacity so that they, in turn, can provide significant financial and other support to local communities and help them identify local solutions to local problems. In 2001, Synergos was selected by USAID to receive grant support for program activities in Mozambique, Brazil and Mexico

According to S. Bruce Schearer, President of The Synergos Institute, the USAID grant to Mozambique is “an important milestone in foreign aid approaches to reaching communities that are engaged in fighting the global HIV/AIDS epidemic. It represents an innovative and exciting policy move that can be replicated in many countries.”

Carlos Fumo, Executive Director of FDC, observes that the grant “will enable FDC to create internal capacity to deal with the problem of HIV/AIDS in a more profound way. It is the first time in Mozambique that USAID funding of that size has gone to a national NGO, which means both trust and a tremendous shift that is highly commendable. This kind of approach enables Mozambicans to solve their own problems.”

For more information on Synergos and the Foundation for Community Development, please see <http://www.synergos.org/africa/mozambique.htm>

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## **ABOUT SYNERGOS**

The Synergos Institute is a nonprofit organization based in New York that works with local partners around the world to fight poverty.

Together, we build the local human, financial and social capital needed to create sustainable solutions to poverty.

Together, we:

- Strengthen the capacity and impact of local foundations that raise and direct resources for social investment
- Prepare leaders from all sectors to bring diverse groups together to address complex problems using a new approach called “bridging leadership”
- Provide committed philanthropists with opportunities to learn from each other and to invest in successful local initiatives to combat poverty.

Synergos was established in 1986.